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Attorney for Debtor(s)
BRIAN DOUGLAS GERMAN and
VALERIE COMARSH GERMAN

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA

In re:

BRIAN DOUGLAS GERMAN and
VALERIE COMARSH GERMAN,

Case No.: 11-35764-C-13L
Mtn. Ctrl. No. JT-2
In Chapter 13
DATE: August 30, 2011
TIME: 2:00 p.m.
DEPT: C, CTRM 33
Honorable Judge Christopher Klein

Debtor(s).

**EXHIBITS IN SUPPORT OF MOTION TO VALUE COLLATERAL OF BENEFICIAL
CALIFORNIA, INC.**

Exhibit A – Appraisal of Real Property by James A. Chaussee, located at 1525 Hazel Avenue,
Yuba City, CA 95993

Dated: _____

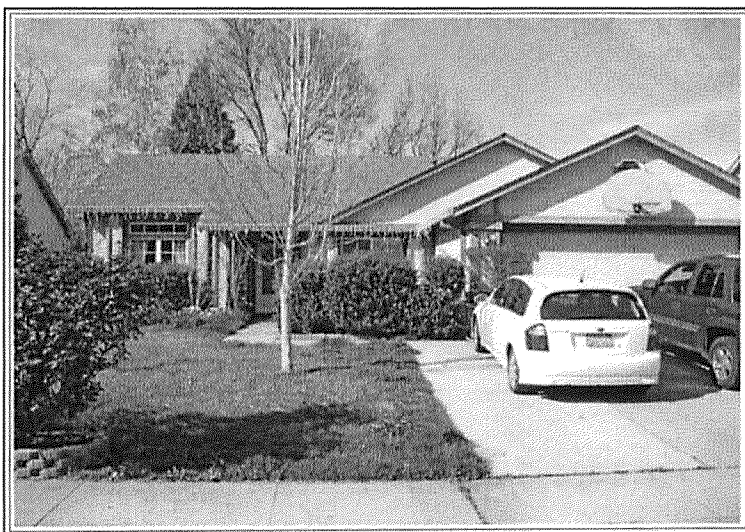
By: _____

JOHN A. TOSNEY, ESQ.
Attorney for Debtors

Chaussee Appraisal Services

German
File No. 110225

APPRAISAL OF



A Single Family Residence

LOCATED AT:

1525 Hazel Avenue
Yuba City, CA 95993

FOR:

Brian & Valeri German
1525 Hazel Avenue
Yuba City, CA 95993

BORROWER:

NA

AS OF:

March 31, 2011

BY:

James A. Chaussee
Ca. License AL015 977

Chaussee Appraisal Services

German
File No. 110225

4/6/11

E-mail: briangerman@rocketmail.com

Brian & Valeri German
1525 Hazel Avenue
Yuba City, CA 95993

File Number: 110225

Dear Client:

In accordance with your request, I have appraised the real property at:

1525 Hazel Avenue
Yuba City, CA 95993

The purpose of this appraisal is to develop an opinion of the market value of the subject property, as improved.
The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the market value of the property as of March 31, 2011 is:

\$132,500
One Hundred Thirty-Two Thousand Five Hundred Dollars

The attached report contains the description, analysis and supportive data for the conclusions,
final opinion of value, descriptive photographs, limiting conditions and appropriate certifications.

Respectfully submitted by:



James A. Chaussee
Ca. License AL015 977

Property Description		UNIFORM RESIDENTIAL APPRAISAL REPORT				German	
		File No. 110225					
Property Address 1525 Hazel Avenue		City Yuba City		State CA		Zip Code 95993	
Legal Description Lot 22, Walton Ranch 02		County Sutter					
Assessor's Parcel No. 56-150-022		Tax Year 2010		R.E. Taxes \$ 2,293		Special Assessments \$ 0.00	
Borrower na		Current Owner German, Brian & Valeri		Occupant: <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant			
Property rights appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold		Project Type <input type="checkbox"/> PUD <input type="checkbox"/> Condominium (HUD/VA only)		HOAS 0.00 /Mo.			
Neighborhood or Project Name Southwest Yuba City		Map Reference MapQuest		Census Tract 505.04			
Sale Price \$ na		Date of Sale na		Description and \$ amount of loan charges/concessions to be paid by seller na			
Lender/Client Brian & Valeri German		Address 1525 Hazel Avenue, Yuba City, CA 95993					
Appraiser James A. Chaussee		Address P. O. Box 747, Marysville, CA 95901					
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural		Predominant occupancy <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant (0-5%) <input type="checkbox"/> Vacant (over 5%)		Single family housing PRICE \$ (1000) AGE (yrs) 110 Low 6 High 30 Predominant 124 20		Present land use % One family 70% 2-4 family 0% Multi-family 5% Commercial 25% (Orchard)	
Built up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%		Growth rate <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow <input type="checkbox"/> Declining		Land use change <input checked="" type="checkbox"/> Not likely <input type="checkbox"/> Likely <input type="checkbox"/> In process			
Property values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Decreasing		Demand/supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In balance <input type="checkbox"/> Over supply		Marketing time <input type="checkbox"/> Under 3 mos. <input checked="" type="checkbox"/> 3-6 mos. <input type="checkbox"/> Over 6 mos.			
Note: Race and the racial composition of the neighborhood are not appraisal factors.							
Neighborhood boundaries and characteristics: Market area bounded by Bogue Road (south), Highway 99 (east), Lincoln Road (north) and Sanborn Road to the west.							
Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.):							
Subject is located in a one-street subdivision built in the early 1990's. Homes are average quality and typical of the market at that time. Residential development stops at Bogue Road, and the area around subject to the east and south has not been developed. Adjoining tracts to the north are more mature. Location has easy access to Highway 99, which is the main commute route to the Sacramento Metro Area (40 miles south).							
Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.):							
Values peaked in late 2005. In the past five years residential values have plummeted by 50% or more in the Yuba City market. Repossession resales (reo's) and short sales are the most common transactions, as few homeowners have remaining equity. Lender qualifications for all types of loans have tightened. Despite low prices and low interest rates, few buyers qualify for financing. Notices of trustee sales have been increasing since the turn of the year, making it likely that there will be increasing numbers of reo listings during coming months.							
Project information for PUDs (If applicable) -- Is the developer/builder in control of the Home Owners' Association (HOA)? <input type="checkbox"/> YES <input type="checkbox"/> NO							
Approximate total number of units in the subject project na Approximate total number of units for sale in the subject project na							
Describe common elements and recreational facilities: na							
Dimensions 60 x 113.09		Site area 6785 Sq.Ft.		Corner Lot <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Topography Sloped to street	
Specific zoning classification and description R-1, Single-family residential		Zoning compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (Grandfathered use) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning		Highest & best use as improved: <input checked="" type="checkbox"/> Present use <input type="checkbox"/> Other use (explain)		Shape Rectangular	
Utilities <input checked="" type="checkbox"/> Public <input type="checkbox"/> Other		Off-site improvements Type <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private		Drainage Appears adequate		View Average	
Electricity <input checked="" type="checkbox"/>		Street Asphalt		Landscaping Typical		Driveway Surface Concrete	
Gas <input checked="" type="checkbox"/>		Curb/gutter Yes		Apparent easements None apparent		FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Water <input checked="" type="checkbox"/>		Sidewalk Yes		FEMA Zone X		Map Date 4/88	
Sanitary sewer <input checked="" type="checkbox"/>		Street lights Yes		FEMA Map No. 0803940095b			
Storm sewer <input checked="" type="checkbox"/>		Alley None					
Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning, use, etc.): Typical mid-block site with average front and rear landscaping. Attached two-car garage. Fenced rear yard with paved patio.							
GENERAL DESCRIPTION		EXTERIOR DESCRIPTION		FOUNDATION		BASEMENT	
No. of Units One		Foundation Concrete		Slab Yes		Area Sq.Ft. No	
No. of Stories One		Exterior Walls Siding		Crawl Space No		% Finished 0%	
Type (Det/Att) Detached		Roof Surface Asph. Sh.		Basement no		Ceiling 0%	
Design (Style) Ranch		Gutters & Dwnspts. Metal		Sump Pump No		Walls 0%	
Existing/Proposed Existing		Window Type Sliding		Dampness None noted		Floor 0%	
Age (Yrs.) 19		Storm/Screens Screens		Settlement None noted		Outside Entry 0%	
Effective Age (Yrs.) 19		Manufactured House No		Infestation None noted		Unknown <input checked="" type="checkbox"/>	
ROOMS		Foyer		Living		Dining	
Basement							
Level 1		1		1		1	
Level 2							
Kitchen		Den		Family Rm.		Rec. Rm.	
Bedrooms		# Baths		Laundry		Other	
Area Sq.Ft.		1,704					
Finished area above grade contains: 6 Rooms; 3 Bedroom(s); 2 Bath(s); 1,704 Square Feet of Gross Living Area							
INTERIOR		HEATING		KITCHEN EQUIP.		ATTIC	
Materials/Condition		Type cfa		Refrigerator <input type="checkbox"/> None <input type="checkbox"/>		Fireplace(s) # 1 <input checked="" type="checkbox"/>	
Floors Carpet/veneer: avg		Fuel Gas		Range/Oven <input checked="" type="checkbox"/> Stairs <input type="checkbox"/>		Patio paved <input checked="" type="checkbox"/>	
Walls Painted: avg		Condition Avg.		Disposal <input checked="" type="checkbox"/> Drop Stair <input type="checkbox"/>		Deck <input type="checkbox"/> Attached <input type="checkbox"/>	
Trim/Finish Wood: avg		COOLING		Dishwasher <input checked="" type="checkbox"/> Scuttle <input checked="" type="checkbox"/>		Porch entry <input checked="" type="checkbox"/>	
Bath Floor Vinyl/carpet: avg		Central Yes		Fan/Hood <input checked="" type="checkbox"/> Floor <input type="checkbox"/>		Fence 6' wood <input checked="" type="checkbox"/>	
Bath Wainscot Fiberglass: avg		Other None		Microwave <input type="checkbox"/> Heated <input type="checkbox"/>		Pool <input type="checkbox"/> Carport <input type="checkbox"/>	
Doors hc & sc: avg		Condition Avg.		Washer/Dryer <input type="checkbox"/> Finished <input type="checkbox"/>		Driveway 2	
Additional features (special energy efficient items, etc.): Tile entry. Wood veneer flooring in kitchen and extended dining room. This home's living space was expanded from 1564 sq.ft. to 1,704 sq.ft. Tax assessment records still show 1,564 sq.ft.							
Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction remodeling/additions, etc.: Average physical depreciation of actual/effective age. Home has the original roof and windows, which will need to be replaced within the next five years. Floor plan is functional, but dining room extension may have been done without a permit. Economic conditions have resulted in value loss throughout the area.							
Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property: None noted.							

Valuation Section

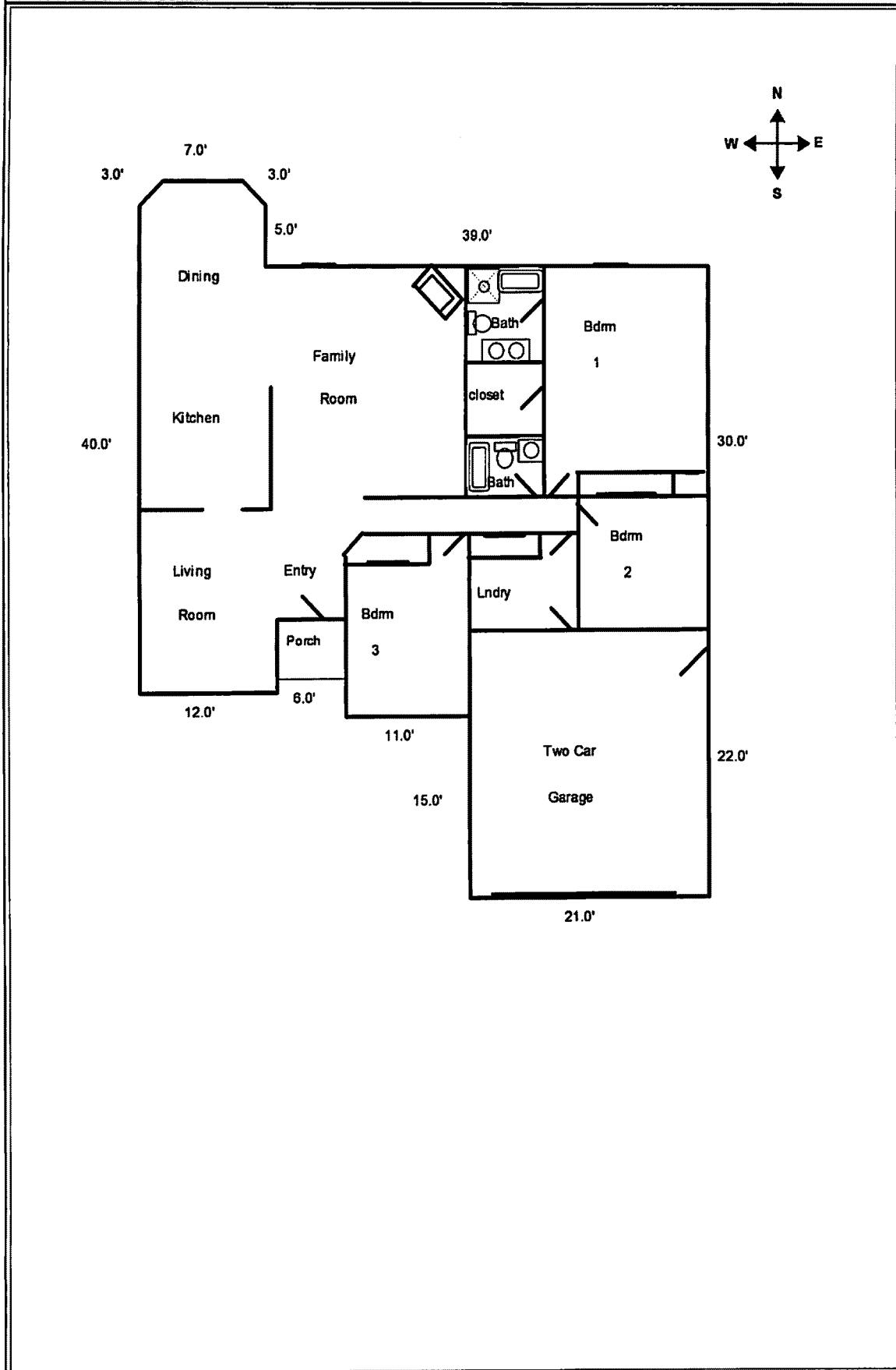
UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. 110225

ESTIMATED SITE VALUE		*Not developed		Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property):	
ESTIMATED REPRODUCTION COST-NEW OF IMPROVEMENTS:				Cost Approach has little relationship to market value due to the economic depreciation of recent years. Resale values are well below replacement cost. There have been no lot sales in most market segments. This report has been prepared at the request of the party named as client. It is intended for the use of client and assigns only, and is not intended for use by any other parties, for any other purpose. This is a summary report based upon an interior/exterior viewing of the subject property. Reports by other trades not received.	
Dwelling	1,704 Sq. Ft. @ \$	\$ 0			
Bsm't. 0	Sq. Ft. @ \$	\$ 0			
Garage/Carport	482 Sq. Ft. @ \$	\$ 0			
Total Estimated Cost New		\$ 0			
Less	Physical Functional External	Est. Remaining Econ. Life: -19			
Depreciation		\$ 0			
Depreciated Value of Improvements		\$ 0			
As-is Value of Site Improvements		\$			
INDICATED VALUE BY COST APPROACH		\$ 0			
ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3	
1525 Hazel Avenue		1323 Johnathan Drive	1131 Robert Drive	1447 Saint John Court	
Address Yuba City		Yuba City	Yuba City	Yuba City	
Proximity to Subject		0.54 miles WNW	0.34 miles NNE	0.40 miles W	
Sales Price	\$ na	\$ 131,000	\$ 127,500	\$ 147,900	
Price/Gross Liv. Area	\$ 0.00	\$ 82.75	\$ 84.33	\$ 82.35	
Data and/or	Inspection	Mis#201003905/530 300-0804	Mis#201004336/530 713-5100	Mis#20110235/530 671-1300	
Verification Sources	Public records	Sutter Co. Doc. 2657	Sutter Co. Doc. 0657	Doc. not yet released.	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	DESCRIPTION	DESCRIPTION	
Sales or Financing	na	New conv. loan	New Fha Loan	New Fha Loan	
Concessions		3% concession	3% concession	3% concession	
		-3,900	-3,800	-4,400	
Date of Sale/Time	na	02/23/11 coe	01/13/11 coe	3/22/11 coe	
Location	Suburban/Avg	SW Yuba City	SW Yuba City	Cul-de-sac/avg+	
				-5,000	
Leasehold/Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	
Site	6785 Sq.Ft.	6,970 +/-	9,148 sq.ft.	7,841 sq.ft.	
			0	-1,000	
View	Average	Local	Local	Average	
Design and Appeal	Ranch/Avg	Ranch/Avg	Ranch/Avg	Ranch/Avg	
Quality of Construction	Average	Average	Average	Average	
Age	19 Years	20 Years	36/eff. 20 Yrs.	22 Years	
Condition	Average	Fair-Avg. (+5%)	Fair-Avg. (+5%)	Average	
		6,550	6,400		
Above Grade	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	Total Bdrms Baths	
Room Count	25 6: 3: 2.00	6: 3: 2.00	6: 3: 2.00	7: 3: 2.00	
Gross Living Area	1,704 Sq.Ft.	1,583 Sq.Ft.	1,512 Sq.Ft.	1,796 Sq.Ft.	
		3,000	4,800	-2,300	
Basement & Finished	None	None	None	None	
Rooms Below Grade					
Functional Utility	Average	Average	Average	Average	
Heating/Cooling	cfa/cfa	cfa/cfa	cfa/cfa	cfa/cfa	
Energy Efficient Items	Average	Average	Average	Average	
Garage/Carport	Gar. 2.att.	3 Att. Garage.	2 Att. Garage	Gar. 2.att.	
		-5,000			
Porch, Patio, Deck,	Paved patio	Paved Patio	Covered Patio	Covered Patio	
Fireplace(s), etc.	1 Fireplace	1 Fireplace	1 Fireplace	1 Fireplace	
			-2,500	-2,500	
Fence, Pool, etc.	Avg. landscape	Avg. landscape	Avg. landscape	Avg. landscape	
Type of sale:	Not a sale	Reo-resale	Reo-resale	Reo-resale	
Net Adj. (total)		[X] + [] - \$ 650	[X] + [] - \$ 4,900	[] + [X] - \$ 15,200	
Adjusted Sales Price		Gross: 14.1%	Gross: 13.7%	Gross: 10.3%	
of Comparable		Net: 0.5%	Net: 3.8%	Net: 10.3%	
		\$ 131,650	\$ 132,400	\$ 132,700	
Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): Sales are all within subject's immediate area and very similar in quality and features. All are reo-resales, which is typical of the current market. Sales 1 & 2 are slightly smaller than subject and in need of minor repairs. Sale #3 is equal to subject in condition, on a cul-de-sac in a slightly superior tract. Comparison of the subject with these sales provides a very good indication of current value. All data has been considered by the appraiser, with the most recent closing (#3) given most weight.					
ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3	
Date, Price and Data	No prior sales in past 3 years.	10/4/10 Trustee Sale	9/29/10 Trustee Sale	1/18/11 Trustee Sale	
Source for prior sales	Sutter Co.	\$152,507 Doc. 14920.	\$114,200. Doc. 14691	\$140,848 Doc. 0821	
within year of appraisal	Sutter Co.	Sutter Co. Records	Sutter Co. Records	Sutter Co.	
Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: #1 was listed @ \$159,500 on 10/13/10. It sold & closed @ \$131,000 in 130 days. #2 was listed @ \$127,500 on 11/24/10. It sold & closed @ \$127,500 in 59 days. #3 was listed @ \$147,900. It sold & closed at full price after just 58 day on the market.					
INDICATED VALUE BY SALES COMPARISON APPROACH					\$ 132,500
INDICATED VALUE BY INCOME APPROACH (If Applicable) Estimated Market Rent \$					N/A / Mo. x Gross Rent Multiplier N/A = \$ 0
This appraisal is made <input checked="" type="checkbox"/> "as is" <input type="checkbox"/> subject to the repairs, alterations, inspections or conditions listed below <input type="checkbox"/> subject to completion per plans and specifications.					
Conditions of Appraisal: This appraisal is not intended for use in a federally-related real estate mortgage transaction. Inspections by other trades may discover conditions affecting value which are beyond the scope of this appraisal.					
Final Reconciliation: Appraiser has considered all three approaches to value, concluding that the Sales Comparison Approach provides the best indication of current market value. Income Approach does not apply to single family transactions unless intended for rental use.					
Cost Approach has little relevance due to economic depreciation. Current resale values have fallen well below replacement cost.					
The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/Fannie Mae Form 1004B (Revised 6/93).					
I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF March 31, 2011					
(WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 132,500					
APPRaiser:		SUPERVISORY APPRAISER (ONLY IF REQUIRED):			
Signature		Signature			
Name James A. Chaussee		Name			
Date Report Signed 4/6/11		Date Report Signed			
State Certification #		State Certification #			
Or State License # AL015977		Or State License #			
		State			

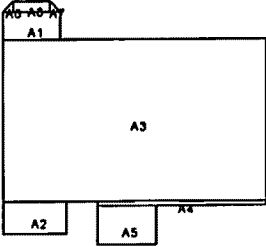
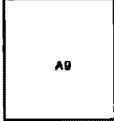

FLOORPLAN

Borrower: na	File No.: 110225
Property Address: 1525 Hazel Avenue	Case No.: German
City: Yuba City	State: CA
Lender: Brian & Valeri German	Zip: 95993

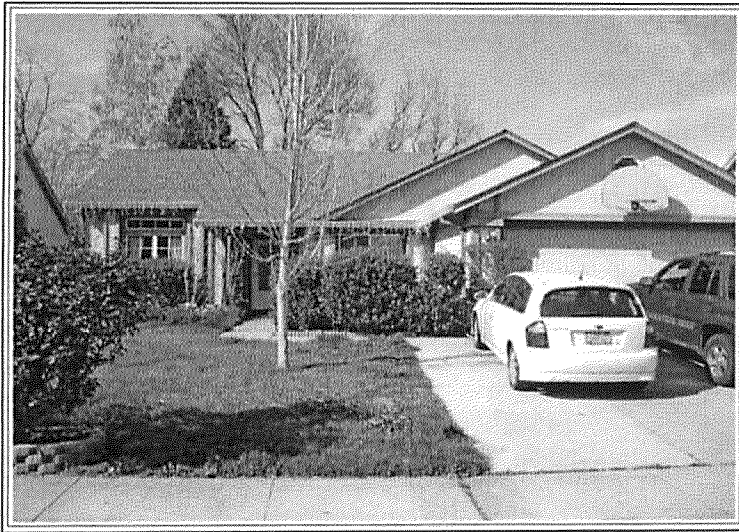


FLOORPLAN

Borrower: na	File No.: 110225
Property Address: 1525 Hazel Avenue	Case No.: German
City: Yuba City	State: CA
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SKETCH CALCULATIONS		Perimeter	Area
	A1 : 11.0 x 5.0 =		55.0
	A2 : 12.0 x 6.0 =		72.0
	A3 : 50.0 x 28.0 =		1450.0
	A4 : 32.0 x 1.0 =		32.0
	A5 : 11.0 x 7.0 =		77.0
	A6 : 0.5 x 2.0 x 2.0 =		2.0
	A7 : 0.5 x 2.0 x 2.0 =		2.0
	A8 : 7.0 x 2.0 =		14.0
	First Floor		1704.0
Total Living Area			1704.0
	A9 : 21.0 x 22.0 =		462.0
	Attached Garage		462.0
	Total Garage Area		462.0
	A10 : 0.5 x 0.1 x 5.0 =		0.3
	A11 : 5.9 x 5.0 =		29.5
	Porch		29.8
	Total Porch Area		29.8

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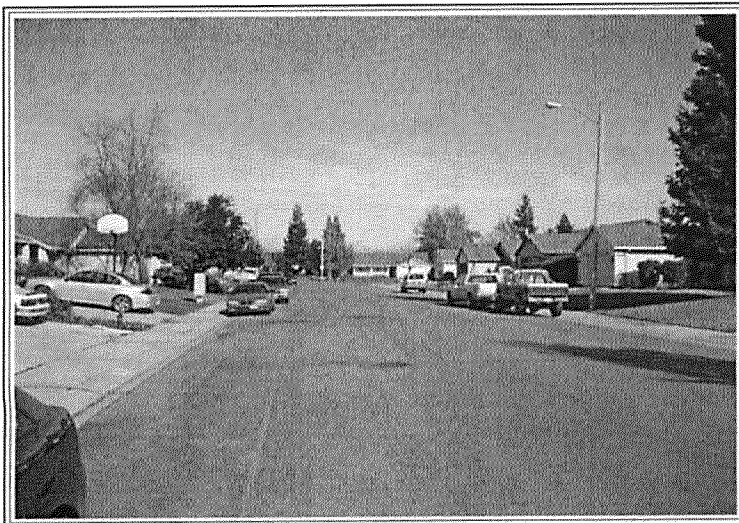


FRONT VIEW OF
SUBJECT PROPERTY

Appraised Date: March 31, 2011
Appraised Value: \$ 132,500

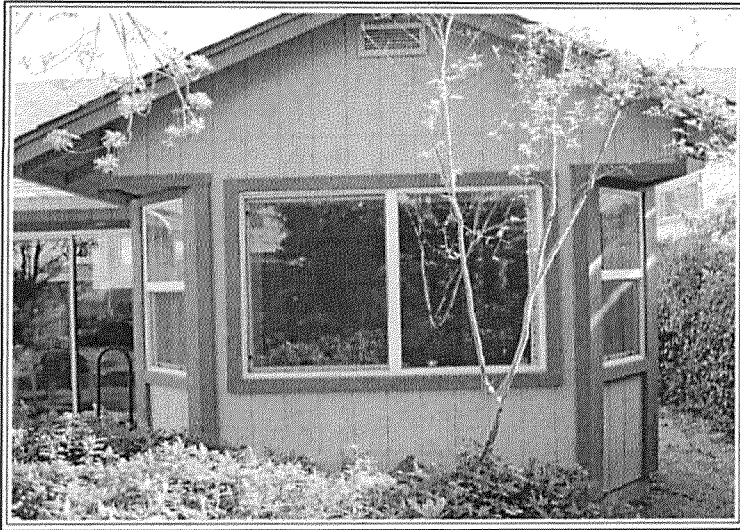


REAR VIEW OF
SUBJECT PROPERTY

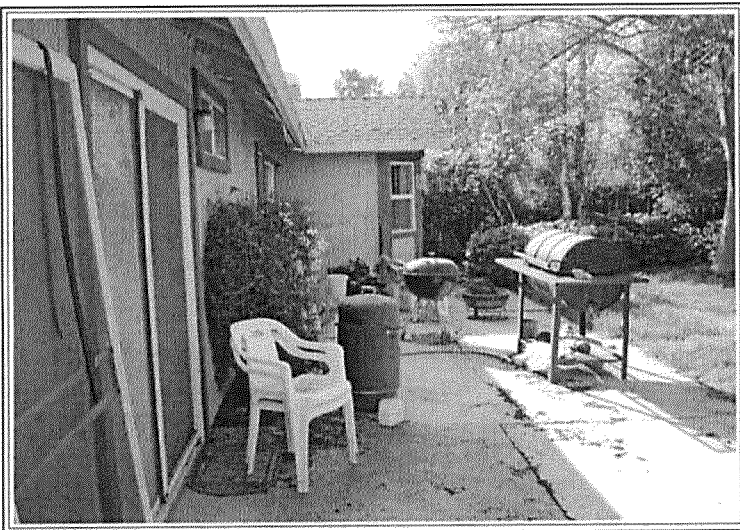


STREET SCENE

Borrower: na	File No.: 110225
Property Address: 1525 Hazel Avenue	Case No.: German
City: Yuba City	State: CA
Lender: Brian & Valeri German	Zip: 95993



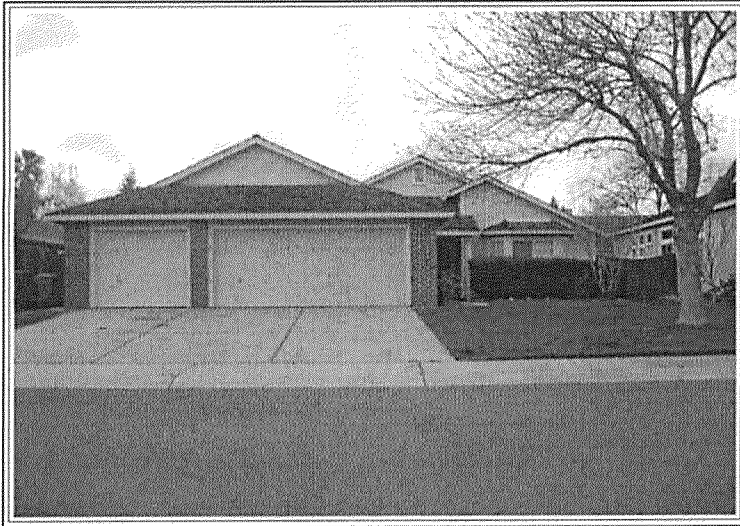
The dining room was expanded from a nook to a room with bay window.



Additional view of rear yard.

Subject has a paved patio area, but no covered patio.

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Property Address: 1525 Hazel Avenue	Case No.: German
City: Yuba City	State: CA
Lender: Brian & Valeri German	Zip: 95993



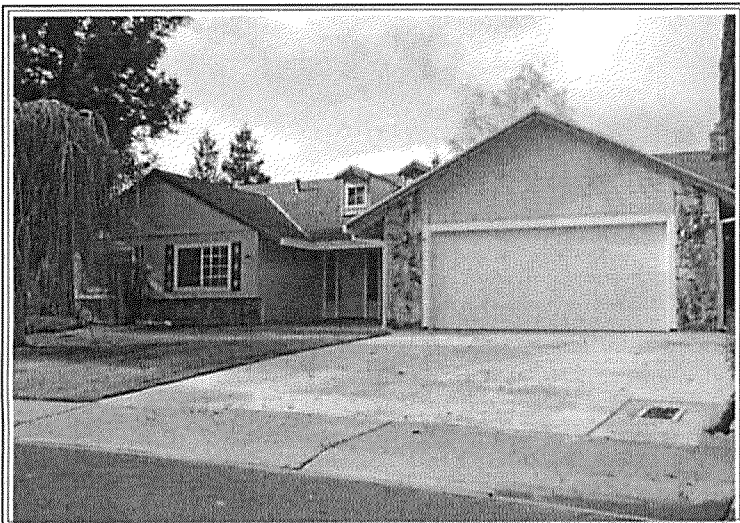
COMPARABLE SALE #1

1323 Johnathan Drive
Yuba City
Sale Date: 02/23/11 coe
Sale Price: \$ 131,000



COMPARABLE SALE #2

1131 Robert Drive
Yuba City
Sale Date: 01/13/11 coe
Sale Price: \$ 127,500

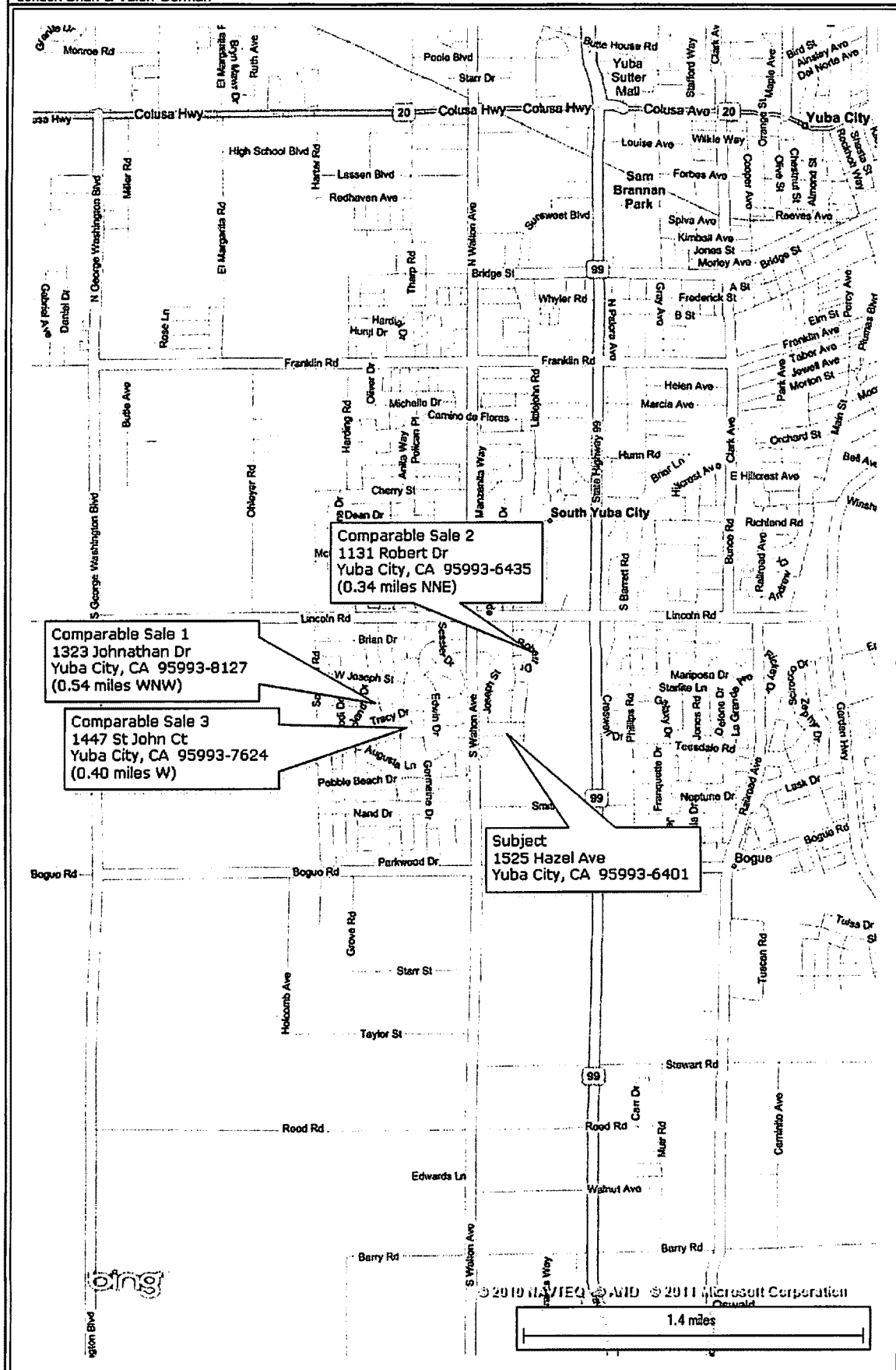


COMPARABLE SALE #3

1447 Saint John Court
Yuba City
Sale Date: 3/22/11 coe
Sale Price: \$ 147,900

LOCATION MAP

Borrower: na	File No.: 110225
Property Address: 1525 Hazel Avenue	Case No.: German
City: Yuba City	State: CA
Lender: Brian & Valeri German	Zip: 95993



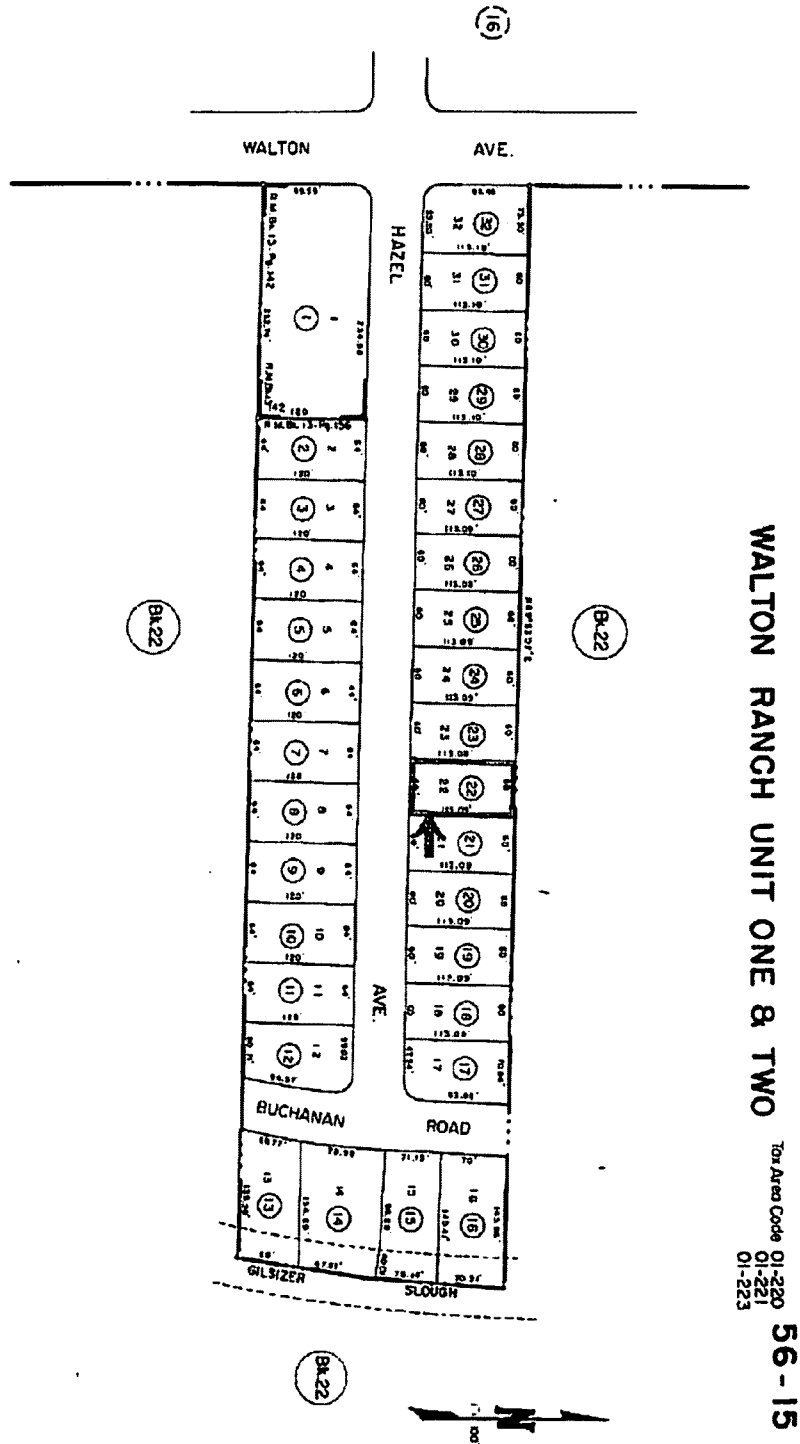
PLAT MAP

Borrower: na	File No.: 110225
Property Address: 1525 Hazel Avenue	Case No.: German
City: Yuba City	State: CA
Lender: Brian & Valeri German	Zip: 95993

Walton Ranch Unit One, R.M. Bk. 13 - Pg. 142
Walton Ranch Unit Two, R.M. Bk. 13 - Pg. 156

NOTE:
Assessor's Parcel Numbers
Shown in Circles

Assessor's Map Bk. 56 - Pg. 15
Sutter County, Calif.
2001 - 1
AUG 22 1997



WALTON RANCH UNIT ONE & TWO Tax Area Code 01-220 56-15
01-221
01-223

German
File No. 110225

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the Appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

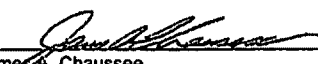
German
File No. 110225**APPRAISERS CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: 1525 Hazel Avenue, Yuba City, CA 95993

APPRAISER:**SUPERVISORY APPRAISER (only if required)**

Signature: 
 Name: James A. Chaussee
 Date Signed: 4/6/11
 State Certification #: _____
 or State License #: AL015977
 State: CA
 Expiration Date of Certification or License: 7/7/11

Signature: _____
 Name: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

☐ Did ☐ Did Not Inspect Property

Ca. License AL015 977

Freddie Mac Form 439 6-93

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Fannie Mae Form 1004B 6-93